



Final Adjustment Budget 2014/15-2016/17
Medium Term Review

BLOUBERG LOCAL MUNICIPALITY

Adjustment Budget 2014/15 – 2016/17

Adjusted Medium Term Revenue and Expenditure Framework

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Glossary

Adjustments Budget – Prescribed in section 28 of the MFMA. The formal means by which municipality may revise its annual budget during the year.

Allocations – Money received from Provincial or National Government or for the municipalities.

Budget – The financial plan of the Municipality.

Budget Related Policy – Policy of a municipality affecting or affected by the budget, examples include tariff policy, rates policy and credit control and debt collection policy.

Capital Expenditure - Spending on assets such as land, buildings and machinery. Any capital expenditure must be reflected as an asset on the Municipality's balance sheet.

Cash flow statement – A statement showing when actual cash will be received and spent by the Municipality. Cash payments do not always coincide with budgeted expenditure timings. For example, when an invoice is received by the Municipality it is shown as expenditure in the month it is received, even though it may not be paid in the same period.

DORA – Division of Revenue Act. Annual legislation shows the total allocations made by national to provincial and local government.

Equitable Share – A general grant paid to municipalities. It is predominantly targeted to help with free basic services.

Fruitless and wasteful expenditure – Expenditure that was made in vain and would have been avoided had reasonable care been exercised.

MFMA – The Municipal Finance Management Act – No. 53 of 2003. The principle piece of legislation relating to municipal financial management.

MTREF – Medium Term Revenue and Expenditure Framework. A medium term financial plan, usually 3 years, based on a fixed first year and indicative further two years budget allocations. Also includes details of the previous and current years' financial position.

Operating Expenditure – Spending on the day to day expenses of the Municipality such as salaries and wages.

Rates – Local Government tax based on the assessed value of a property. To determine the rates payable, the assessed ratable value is multiplied by the retain the rand.

SDBIP – Service Delivery and Budget Implementation Plan . A detailed plan comprising quarterly performance targets and monthly budget estimates.

Strategic Objectives – The main priorities of the Municipality as set out in the IDP.

Budgeted spending must contribute towards the achievement of the strategic objectives.

Unauthorized expenditure – Generally, spends without, or in excess of, an approved budget.

Virement – A transfer of budget within votes.

Vote – One of the main segments of a budget. In Blouberg Local Municipality this mean sat function level.

PART 1 – ANNUAL BUDGET

Section 1 – Mayor’s Report

Madam Speaker

Magoshi,

Chief Whip of the Council and other Whips

Representatives of the Auditor-General of South Africa

Representatives of the Audit Committee

Chairperson of the Municipal Public Accounts Committee

Members of the Executive Committee

Fellow Councillors

Representatives of political parties and civic organizations

Members of the ward committees and community development workers

Municipal Manager and Senior Managers

Officials from organs of state and sister municipalities

Members of the business community

Members of the interim Youth structure responsible for youth skills development and employment,

The media houses

Distinguished guests

Ladies and Gentlemen

Madame Speaker, last year on the 31st May at Harriswhich, the Honourable Mayor, Councillor Serite Sekgoloane, reminded this house of our constitutional mandates as municipal leaders when he said: “The local sphere of government has a huge role to play in the realization of outcome 9 which mandates municipalities to provide a responsive, accountable, efficient and effective local government system.” Nothing has changed from what was said then, and the tabling of this budget speech is a fulfillment of that mandate

It is a great honour for me to be standing in this august house to deliver this budget speech for our communities to serve as a torch to brighten the lives of our beloved countrymen and women of Blouberg.

I am proud, privileged and honoured to be delivering this speech after a resounding election victory by the ruling party in the recent national and provincial elections to give us a mandate to lead this great nation for the next five years and beyond. We should convey our sincere gratitude to men and women who still have confidence in our capacity and capability as the African National Congress to lead this nation to greener pastures. Our mandate is very clear: Eradicate the triple challenges that bedevil our society, that is, unemployment, poverty and inequality.

We must also commend the Independent Electoral Commission of South Africa for delivering these free and fair elections. At home we must commend the leadership demonstrated by our Municipal Electoral Office led by Mr Machaba MJ for the peaceful manner in which these elections were conducted.

This revised plan that we are presenting today is a consolidated effort by all major key stakeholders of the Municipality to ensure that a better life for all is realized. It is against this background that we are proud to say that the compilation and revision of this Integrated Development Plan resonates well with the dictates of the National Development Plan which emphasizes that active citizenry is a prerequisite for creating sustainable growth and development in the country over the next two decades.

As precursors to the involvement of our citizenry in the revision of this IDP the Municipality successfully hosted the Mayor's Indaba on Youth Employment and Skills Development. The Indaba was initiated to seek common solutions to skills development and employment for Blouberg citizens, in general and youth, in particular.

Further, the Mayor hosted a special ward committees' session to arrive at a consolidated effort to strengthen community participation as a vehicle for growth and employment and the eradication of the triple challenges facing the South African society, viz, poverty, unemployment and inequality.

We must commend the political leadership of this Municipality for the maintenance of sound and harmonious relationship with our traditional leaders (re ra bona maaparankwe). The active participation of our traditional leaders through quarterly Mayor-Magoshi meetings has given our stakeholders relations a boost and has further helped the Municipality in governing and implementing its programmes in a better way. Re re go maaparankwe a rena le lese la lahla gobane lesako la go hloka **Thobela ke mo mojano.**

The revision of this plan comes at a time when the country celebrates its 20 years of this young and vibrant democracy and also ushers in the fifth administration of the national and provincial governments in the country. Looking back at the strides made in the fight against the frontiers of poverty, inequality and unemployment we can put smiles on our faces and collectively declare that 'ours is a good story to tell'.

Today we can stand up tall and boast about these good stories that indicate that we are in the right direction towards the realization of the National Development Plan goals and the total economic emancipation of our people. In our twenty years of democracy and thirteen years of existence of inclusive municipalites we have proudly attained some of the following milestones:

- Blouberg Municipality is the 1st Municipality in the province, if not in the country, with a license to electrify all rural areas and to date all settlements with **39 969** households electrified (Millennium Development Goal surpassed).
- 1st Municipality to implement the **Breaking New Ground housing** (inclusionary housing development) development in the province and over 5000 low cost housing units constructed.
- Over **29** kilometers of internal streets have been upgraded from gravel to tar or paving in settlements such as **Senwabarwana, Alldays, Taaibosch (Ga-Mamadi), Devrede, Witten, Dilaeneng, Indermark and Puraspan.**
- Over **116** kilometers of provincial and district new roads have been upgraded from gravel to tar with new 48 bus shelters along **D1200, D1598 and 3327**
- Decentralization plan developed and implemented and culminated in the establishment of new satellite offices at **Eldorado, Tolwe, Witten and Hariet's Wish alongside Alldays and Senwabarwana** bringing the total to **six**. New Multi-Purpose Community Centre is currently being **constructed** at Laanglagte while the other one is planned for **Inveraan** in the 2014\15 financial year.
- A standard and state of the art sports complex constructed at Eldorado
- Economic growth and job creation were created and sustained by both the public and private sectors through the Community Work Programme, implementation of the Expanded Public Works Programme and municipal capital works programme, the construction of the Soutpan solar project, as well as the establishment and operation of two shopping centres in Senwabarwana bringing, in total, over **6000** job opportunities for our communities.
- Over **32 early childhood daycare centres** preschools have been constructed
- On good governance and public participation the Municipality maintained its record of sound **community participation model** and such model received recognition from the national Department of Cooperative Governance and Traditional Affairs. All ward committees are fully functional.

The list of this proud legacy is endless and we commit to continue with this journey to offer long lasting solutions to the triple challenges facing our municipality.

LED AND SPATIAL RATIONALE

Madame Speaker, the priority of this council is economic development which will, in turn, serve as a catalyst for the sustainability of this Municipality.

FORWARD PLANNING (VISION 2030)

Madame Speaker, forward planning remains a critical instrument towards to the total economic freedom of our people. Forward planning will align our plans and strategies to the National Development Plan (Vision 2030). This IDP aims to radicalize our approach to Economic Development and new cities development concepts which will culminate in the establishment of well planned and sustainable towns alongside the models used by our BRICS counterparts in the far eastern part of the world –China. It is against this background that we have started with initiatives to enter into twinning agreements with the City of Nanning

and the District of Chongzhou in China. Another twinning agreement should be entered into with one municipality in South Korea. From such twinning agreements we stand to benefit in aspects such as socio-economic development, infrastructural and cultural development. We will be able to benefit out of exchange programmes with such developed states, especially on the development of city master planning and infrastructure development as those cities are more advanced than most of their counterparts in Africa. We still need to pursue the MMA technology used in South Korea as an alternative to the current asphalt used to tar our streets.

This will resonate well with what one African leader, **Ibrahim Babangida**, who once said: "Our approach to economic development must be modern, focused and in tune with global trends". The current priority of this administration will be on economic development, job creation and partnerships.

Madame Speaker, recently we hosted the Minister of Rural Development and Land Reform, **Honourable Gugile Nkwinti**. We are confident that the Minister will, through his intervention, transform our communities through programmes such as Animal Veld Management Programme and Comprehensive Rural Development Programme. We have submitted the village of Schoongezicht for this Comprehensive Rural Development Programme and the department has commenced with studies and needs assessments for the village.

The expansion of Venetia mine's underground project, with an investment of over **R16 billion**, has started to create the much needed jobs to our people and stimulate our economy. The expansion will, further, have a direct impact on the growth and expansion of Alldays town, our diamond town. Major contractors Murray and Roberts, and Basil Read are expected to create short to medium term jobs for local people.

Today we are pleased with the progress made with the potential investment by Ironveld through the eminent construction of an open cast mine at Haccra mine to be established at Harriswhich, Aurora and Cracouw. That the prospecting results are positive is a step in the right direction for the triggering of the economy of Blouberg, in general, and the surrounding settlements of ward 1, in particular. Our sincere gratitude is expressed to Ironveld for their generosity in allocating ten (10%) percent shareholding of the mine to the local communities of Harriet's Wish, Cracouw and Aurora. This ten percent stake was negotiated by the Municipality on behalf of the affected communities and we will continue to engage other investors to show the same gesture. This mining initiatives, coupled with the positive prospecting results of the Platinum Group Metals for platinum prospecting positively confirms that we were right as a municipality to confirm and activate the implementation of the Blouberg decentralization plan which culminated in the purchase of land parcels on a portion of **Harriet's Wish** farm and the construction of a multi-purpose community centre at **Harriet's Wish**.

As highlighted above our good story of job creation has culminated in the creation of over 6000 job opportunities from both private and public sector investments in the form of Community Work Programme, Expanded Public Works Programme, implementation of municipal capital works programme and private sector initiatives such as the construction of the Soutpan solar project, Venetia mine underground expansion, and retail development in Senwabarwana.

It is our hope that the construction of the Haccra mine and continued implementation of the CWP and EPWP will go a long way towards the reduction of our unemployment statistics which today sits at 39%.

We will pursue the skills development of our youth to prepare them for the opportunities in the mines that will be operated in Blouberg. We will further negotiate with these mines for the recruitment of local labour, as well as supplier development for local SMMEs.

BASIC SERVICE DELIVERY

Madame Speaker, as our good story continues we need to mention that a better life for our communities was realized through the implementation of our current IDP which saw us completing the Hariet's Wish MPCC, constructing four preschools which are now nearing completion at Pax, Edwinsdale, Cracouw and Lethaleng. Phase 1 and 2 of the traffic station in Senwabarwana is complete and currently only the snag list is being attended. The station will be opened during the month of June.

We are pleased with the completion of our state of the art sports complex at Eldorado and contrary to prophets of doom who predicted that the complex will become a white elephant our local communities, as well as our soccer team-Dolphins, make adequate use of the facility as their home ground. We must send our sincere gratitude to the Chairman, **Mr. Mmabi Hebert**, for the good gesture. Two internal streets were upgraded at Dilaeneng and Senwabarwana and this has done our urbanization strides a good service as the clock is ticking faster for the eradication of gravel streets. The journey continues, and we will not stop until all settlements have access to paved streets, including motse wa geso wa Raweshi.

The budget allocation for the 2014\15 financial year will focus on the construction of five preschools at **Berseba, Motlana, De Villiersdale, Bogna farm and Slaaphoek** at a combined budget allocation of **R8, 6 million**. An allocation of **R14** million has been set aside for the upgrading of internal streets and storm water control at **Dilaeneng, Indermark and Senwabarwana** while **R6.7** million has been allocated for the construction of the **Inveraan MPCC**.

Management and the leadership of this Municipality should look at a better approach for the implementation of this major project as it will not be operated in the same way as Hariet's Wish and Laanglagte due to its proximity to Senwabarwana office, Bahananwa traditional office and Laanglagte MPCC.

Our Electrification programme coined 'Operation leswiswi o kotsing' saw over nine settlements benefitting from post connection electrification by both the Municipality and Eskom. Such settlements include, inter alia, **Thorpe, De Vrede, Kromhoek, Witten, Avon, Mosehleng, Kgokonyane, Milbank, Addney, Hlako, Miltonduff, Hariet's Wish, Silvermyn, Witten Ext and Springfield**. Blouberg accounted for **636**

connections with a budget of **R8 million** sourced from the Department of Energy (**R7 m**) and Capricorn District Municipality (**R1 m**).

This revised plan and budget that we present today makes provision for an allocation of **R3 million** for the post connection of electricity to **250** households by the Municipality. Villages to benefit from this injection include **Arrie, Sias, Simpson, Grootpan, Berseba (Motadi), Gideon, Mongalo, Diepsloot and Silvermyn**. With an amount of **R18,9 million** Eskom will provide post connection electricity to **900** households. Villages that will benefit from this initiative are **Thalane, Indermark, Kobe, Madibeng, Sesalong, Bogna farm, Vergelegeng, Ditatsu, Wegdraai, Machoana, Matoana, Lethaleng, Papegaai, Bergendaal, Mamoleka, Towerfontein and Bosehla**.

Our biggest infrastructure challenge remains the provision of sustainable water and quality roads to our communities. This matter is raised from time to time in all stakeholders' engagement process. We still maintain that we need to challenge the current Water Service Authority arrangements and have the authority located at the local municipality not at the district as is the current arrangements. The challenge of roads infrastructure has been raised with the provincial government many times. We are pleased that there is a commitment by the Limpopo Provincial government to upgrade the **D1468 road** (Indermark to Puraspan road from gravel to tar. Our submission will be for the completion of all '**Bermuda**' roads.

On waste management we commit to roll out the service to settlements such as **Harriet's Wish, Witten, Dilaeneng, Puraspan, Avon, Indermark, Kromhoek, De Vrede, Burgerught, Motlana and Edwinsdale**. Management must develop an operational strategy and also come up with ways to develop a credible database of recipients of the service. Service Level Agreements must be signed with all users.

MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT

Madame Speaker, when we tabled the budget and IDP last year at Harrisburg we acknowledged capacity challenges that are experienced by rural municipalities such as Bloubaai in their inability to attract and retain scarce skills in Finance, Engineering, Planning and Health. We also tabled the budget with serious vacancies in the top management structure where the positions of Senior Managers in Safety and Security, and Corporate services were occupied by personnel in acting capacities. Today we are proud to mention that all vacancies in the senior management echelons have been filled, save for that of senior manager, Infrastructure Development. We hope to fill this position very soon. At Rawlshill we gave marching orders to this management team that roles be clarified between the unions and the management and leadership of this institution and today we can safely report to this house that we seem to be getting our things right. The functionality of our Local Labour Forum has been revived, thanks to our Senior Manager for Corporate

Services, TG Magabane. We hope this will go a long way in stabilizing employer-employee relations at our Municipality.

Madame Speaker, we hereby present the revised Organizational Structure for this council to adopt. The structure is about value add given our need to optimize and decentralize personnel to Satellite Offices as part of bringing services closer to our communities. As part of our quest for efficiency we redesign our organizational structure to beef up the traffic and licensing unit, the PMS office and further relocate satellite offices from the Municipal Manager's office to the Safety and Security department. We also present to this house a proposal to revert titles of Senior Managers to those of Directors as the new organizational structure necessitate the creation of new levels to include that of Deputy Directors.

It is in the interest of the council to build capacity in order to reduce over reliance on the usage of consultants hence the usage of inhouse capacity on the design and implementation of five preschools for the 2014\15 financial year. This house is assured that no consultants will be used for the construction of the preschools and this has made huge savings for us enabling the municipality to build five preschools instead of the annual baseline of four. Our Annual Financial Statements will from now on be prepared inhouse while only quality assurance for such AFS will be done by external parties.

GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Madame Speaker, we reiterate our self praise of being among the best municipalities that have perfected their public participation model and we want to consolidate and sustain the good record. It is against this background that we introduce an extended arm of public participation by including ward councillors' meetings with head men on a bi-monthly basis. The terms of reference for such sessions will be the same as those of Mayor-Magoshi meetings.

Internally we have attained a good percentage on the functionality of our structures. The Risk Management Committee, Audit Committee, Audit Steering Committee and Municipal Public Accounts Committee are properly functioning and thanks to the commitments and capacity of the Chairpersons responsible for such committees. We have managed to turn the tide on our audit opinion for the 2012\13 financial year from a disclaimer to a qualified opinion and we are confident that if we follow the Audit Action plan to the letter we will achieve a clean audit opinion from the Auditor-General's assessment of our financial statement and predetermined objectives. Our quest for a clean audit will not diminish. We will implement what one British leader, Winston Churchill once said: "Success is going from failure to failure without loss of enthusiasm." The implementation of our audit action plan has resulted in a reduction on the number of queries raised by the Auditor-General to three and with greater enthusiasm we shall overcome audit failures.

FINANCIAL VIABILITY

The machinery of a responsive, accountable and transparent local government requires a financially viable municipality to be sustained. We commit to implement Credit Control and Debt Management Policies fully and recoup all monies due to us. As a result we have enlisted the services of a debt collector to collect all

money due to us. All defaulters, including farmers, have been handed over and we anticipate increased revenue for the municipality.

Madame Speaker, On the expenditure part this revised IDP/ Budget proposes the implementation of austerity measures to curb any possible non-priority spending in line with MFMA Circular no 66 and compliance to applicable legislations. Management has been directed to plug all leakages that drain our financial coffers unnecessary. Great attention should be prioritized for detecting and curbing illegal usage of electricity, prudent use of stationary and a move towards electronic document management. We have activated the release of a monthly allowance of R300 per month for each councillor and it is our firm belief that going forward documents will be emailed to them instead of printing large volumes of documents and transporting them at a cost to each individual councillor.

We need to commend and thank our State President, Cde Jacob Zuma for having appointed Minister Pravin Gordhan (formerly Minister of Finance) to the Ministry of Cooperative Governance and Traditional Affairs. It is our firm belief that given his experience and acumen from the Treasury Ministry local government will be given a huge, but positive, overall to become a vibrant, efficient and effective machinery.

THE 2014/2015 BUDGET

For the 2014/2015 Medium Term Revenue and Expenditure Framework, as in the previous financial years, a considerate effort has been put to align our strategic objectives with the budget and the IDP, as well as the maintenance of sound fiscal discipline for the attainment of efficiency, effectiveness and value for money.

Madam Speaker, I present to this council the 2014\15 budget which amounts to **R206, 365,911**. This budget has increased by **R22, 422,711** from to the 2013\134 budget of **R183, 943,200**. For the 2014\15 and 2015\16 financial years we present a budget of **R237, 717,448** and **R250, 239,721** respectively.

The main cause for increase comes from annual increase in the allocation of grants from the National Treasury as per DORA and comprises of equitable shares, Municipal Infrastructure Grant, Municipal Systems Improvement Grant, Financial Management Grant and Integrated National Electrification Programme. From own revenue generated sources the municipality relies mainly on , assessment rates, development fund, sale of electricity, waste management services, traffic services, sale of sites and land development applications amounting to **R43,449,911**. Our own revenue constitutes **21%** of the total municipal budget. This means we must pull our socks in order to be financial self sustainable.

The budget for the 2014\15 will be apportioned as follows:

An amount of **R159, 569,079** for 2014/2015 has been budgeted for operating expenditure; and out of this amount **R79,1 million** will cover employees costs while **R12,3 million** will accommodate councillors' allowance. This translates into a combined percentage of **44%** for employees and councillors costs on the total municipal budget. The increase in employee related costs is justified by the filling of existing vacant positions and the implementation of the decentralization plan which will necessitate the employment of

personnel at satellite offices. The rest of the operational expenditure is apportioned to general expenses (**R46.3m**), bulk purchases and Free Basic Electricity (**R16, 4m**), contracted services (**R3,0m**), and repairs and maintenance (**R2, 1m**). This **R2, 1m** allocated to repairs and maintenance will also be distributed proportionally to satellite offices.

R46, 89 million will fund our capital budget programme;

We once more emphasize the need to develop a credible customer service database which will be premised upon the mapping of all our households.

We also table for adoption the following:

- Revised Performance Management Policy
- Revised organogram

Madame Speaker, we also table the following from the executive committee:

- Monthly SDBIP reports

Madame Speaker, I would like to thank all those who put their tireless efforts towards making this day possible. My sincere gratitude goes to:

- My family
- Municipal staff, in particular, Municipal Manager, Mr T.M.P Kgoale, CFO Raganya Conny, Kgorane Johnny and the entire management team,
- The Executive Committee for giving the IDP\Budget processes the much needed political direction,
- Our magoshi for their continuous support to the municipality and its programmes,
- Ward committees and CDWs, and
- Our communities for their valuable inputs and their deepest understanding during the review processes.

Tributes

Madame Speaker, in conclusion allow us to pay tribute to the world Icon, Tata Nelson Rolihlahla Mandela, who passed on in December last year. Madiba's loss is not a national loss but a loss to the entire world. We will always remember him for his guidance, humility and wisdom. When we are faced with difficult situations in leading this municipality we always get strength and courage from his wisdom like when he said: " **It always seems impossible until it is done.**"

We also pay tribute to our fallen heroine and fellow colleague attached to the District as a PR Councillor, Comrade Racheke Mosibudi Rebecca (commonly known as MmaNathi) from Machaba village who passed on this week due to illness. Before becoming a councillor she was a member of the ward committee in ward 11. She was a soldier fighting in the frontline against the scourge of poverty, unemployment and inequality.

We also pay our tributes to headman Sekuba Alpheus of Kibi Traditional Authority attached to Ramotsho village, ward 17'

Our tributes are also paid to our fallen ward committee member from ward 11 attached to Pickum No 2, Chuene Juliet Mokgomme who passed on in March 2014.

May their souls rest in peace!

Let us pick their spears and continue with the journey towards the total emancipation of our people from the country's triple challenges...

I THANK YOU-----AMANDLA

Section 2 - Budget Related Resolutions

MTREF 2014/2015

These are the resolutions that must be approved by Council with the final adoption of the adjustments budget:

RESOLVED:

That the adjustments budget, inclusive of changes in terms of section 28(2) of the MFMA, of Blouberg Local Municipality for the financial year 2013/2014; and indicative for the two projected years 2014/15 and 2015/16, as set-out in the schedules contained in Section 4, be approved:

- 1.1 Table B2: Budgeted Financial Performance (expenditure by standard classification)
- 1.2 Table B3: Budgeted Financial Performance (expenditure by municipal vote)
- 1.3 Table B4: Budgeted Financial Performance (revenue by source)
- 1.4 Table B5: Budgeted Capital Expenditure for both multi-year and single year by vote, standard classification and funding.
- 1.5 That the amended performance objectives is contained in the SDBIP be approved
- 1.6. That it be noted that there are no changes to any budget related policies.

Section 3 – Executive Summary

Introduction

This Adjustment budget compiled in line with the Municipal Budgeting and Reporting Regulation (MBRR) notice no 31804 of 2009 provides financial for adjustment budget year for 2014/15 to 2016/17 budget year.

The budget is the first adjustments budget of the municipality which is in the formats prescribed in the new Budget Regulations (MBRR).

Effect of the adjustment budget

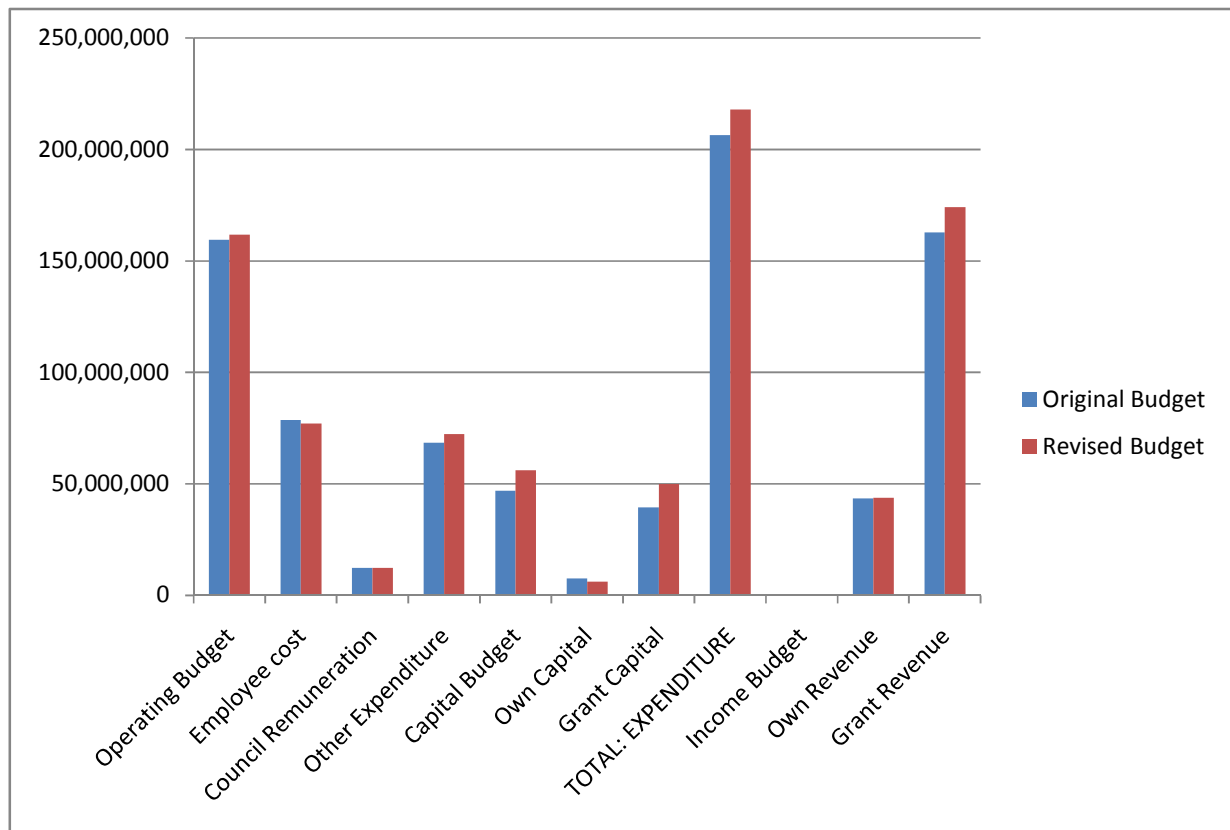
The preparation of the 2014/2015 adjustment budget were an extremely challenging, with considerable potential impacts on core service delivery cost and revenue components which influenced the outcomes of MTREF , for example the actual collection for services charges is very poor especially refuse due to non payment by farmers, government institution and business debtor. The municipality collected **R25,3 million** on Own revenue and **R135,1 million** including grants.

A key consideration for the compilation of the adjustments budget was long term financial sustainability and especially stabilizing the cash flow position, while also ensuring continued service delivery and improved service delivery.

The new projected forecasts for the MTREF are as follows:

Description	Original Budget	Revised Budget
Operating Budget	159,469,078	161,772,478
Employee cost	78,682,975	77,121,015
Council Remuneration	12,303,654	12,303,654
Other Expenditure	68,482,449	72,347,809
Capital Budget	46,896,832	56,119,606
Own Capital	7,550,002	6,210,602
Grant Capital	39,346,830	49,909,004
TOTAL: EXPENDITURE	206,365,910	217,892,084
Income Budget		
Own Revenue	43499910	43763910
Grant Revenue	162866000	174128174
	206,365,910	217,892,084

The below chart shows that there is a little increase as compare with original budget.



Budget adjustment:

Total original budget is amounting to **R 206** million and the revised budget is **R 217** million.

The following are the reason for increases.

Revenue

The original Total Budget above increase due to the following reasons:

1. Decreased refuse removal from R 1,200,000 to R 400,000 .The revenue base (customers) did not increase as planned.
2. EPWP Grant from CDM
3. Decreased traffic fine from R 4,0 million to R 2,5 due to under collection
4. Increased sale of site from R 1,3 million to R 3,8 million because of the new site that will be sold .
 - Currently budget R 1,3 million and the actual is R 747,000 and the outstanding amount will be recovered from Department of Education.
 - We have 58 available sites and each selling at R45,000 minimum price , the total revenue estimated is R 3,2 million , but we projected R 2,5 million.
5. Due to roll over projects of previous financial year.

Expenditure

Capital Budget

Capital budget will increase from R46, 8 million to R56,1 million due roll over projects from previous financial year.

Operating Budget

Operational Expenditure increase from R 159,4million to R 161,772 million, movement made to other assets. Resulting with the variance of R 2.3 million , due to increase on electricity (acteris) and EPWP grants from CDM.

Looking at the table below the refuse has been decreases by R 800,000 compare to original budget, due to the fact that we did not enroll the waste collection to other villages, and also it shows the increase on grant and other income due to EPWP grant and sale of site.

LIM351 Blouberg - Table B1 Adjustments Budget Summary -											
Description	Budget Year 2014/15									Budget Year +1 2015/16	Budget Year +2 2016/17
	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
	A	1 A1	2 B	3 C	4 D	5 E	6 F	7 G	8 H		
R thousands											
<u>Financial Performance</u>											
Property rates	14,120	-	-	-	-	-	-	-	14,120	14,826	15,567
Service charges	16,982	-	-	-	-	-	(800)	(800)	16,182	17,831	18,723
Investment revenue	930	-	-	-	-	-	-	-	930	977	1,025
Transfers recognised - operational	121,458	-	-	-	-	-	500	500	121,958	150,447	152,068
Other own revenue	11,468	-	-	-	-	-	1,064	1,064	12,532	10,372	10,890
Total Revenue (excluding capital transfers and contributions)	164,958	-	-	-	-	-	764	764	165,722	194,452	198,274

The adjustment on the provision of basic services and adjustment on SDBIP.

There is no effect on the basic services as municipality follows the adopted 2014/15 IDP by council.

The municipality as well as ESKOM provides free basic electricity of 50 KWA to its indigent residents per month. Such indigents are captured in the municipal indigent register which is updated from time to time. Field cashiers have been appointed in all the 21 wards to register and update the indigent register as well as a register of all municipal customers.

The following table shows that the SDBIP changed as there is a movement within the municipal vote compare to original budget.

LIM351 Blouberg - Supporting Table SB12 Adjustments Budget - monthly revenue and expenditure (municipal vote) -

Description	Ref	Budget Year 2014/15												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands																
Revenue by Vote																
Vote 1 - Mayor and Council																
Vote 2 - Budget and Treasury		13,091	48,424	328	649	38,443	271	561	561	31,707	523	524	551	135,636	166,807	169,242
Vote 3 - Corporate Services		0	31	1	1	23	2	25	26	27	19	15	11	184	193	202
Vote 4 - Community Services		-	660	-	-	495	-	500	496	-	-	-	-	2,151	-	-

[illegible]

VOTE 11]													-	-	-	
Vote 12 - [NAME OF VOTE 12]													-	-	-	
Vote 13 - [NAME OF VOTE 13]													-	-	-	
Vote 14 - [NAME OF VOTE 14]													-	-	-	
Vote 15 - [NAME OF VOTE 15]													-	-	-	
Total Expenditure by Vote		8,861	10,563	13,009	10,675	12,950	11,566	15,908	15,828	16,088	16,008	15,868	14,448	161,772	181,291	189,396
Surplus/ (Deficit)		4,657	50,991	(11,427)	(6,413)	27,905	1,789	(3,290)	(11,693)	39,208	(12,508)	(11,761)	(11,339)	56,120	56,427	60,844

Section 4. The Adjustment Budget tables are as follows:

Table B1 – Adjustments Budget Summary

Looking at the table below the Refuse has decreases by R 0,800, million compare to original budget and also EPWP grant and other income (sale of site)

Employee cost decreases due to the following reasons

- ❖ The delay of filling the vacant posts e,g Senior Manager Director Technical,
- ❖ Adjusting negatively on wage curve as per job evaluation process and the estimations.

Materials and bulk purchases

- ❖ It shows Increase on bulk purchases, due to actual spent for the past six months.

**LIM351 Blouberg - Table B1
Adjustments Budget Summary -**

Description	Budget Year 2014/15									Budget Year +1 2015/16	Budget Year +2 2016/17
	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	A	1 A1	2 B	3 C	4 D	5 E	6 F	7 G	8 H		
Financial Performance											
Property rates	14,120	–	–	–	–	–	–	–	14,120	14,826	15,567
Service charges	16,982	–	–	–	–	–	(800)	(800)	16,182	17,831	18,723
Investment revenue	930	–	–	–	–	–	–	–	930	977	1,025
Transfers recognised - operational	121,458	–	–	–	–	–	500	500	121,958	150,447	152,068
Other own revenue	11,468	–	–	–	–	–	1,064	1,064	12,532	10,372	10,890
Total Revenue (excluding capital transfers and contributions)	164,958	–	–	–	–	–	764	764	165,722	194,452	198,274
Employee costs	78,683	–	–	–	–	–			77,121	80,157	87,827

							(1,562)	(1,562)			
Remuneration of councillors	12,304	–	–	–	–	–	–	–	12,304	13,042	13,824
Depreciation & asset impairment	1,009	–	–	–	–	–	5,331	5,331	6,340	7,229	7,590
Finance charges	–	–	–	–	–	–	–	–	–	–	–
Materials and bulk purchases	16,631	–	–	–	–	–	2,150	2,150	18,781	22,407	23,584
Transfers and grants	–	–	–	–	–	–	–	–	–	–	–
Other expenditure	50,842	–	–	–	–	–	(3,616)	(3,616)	47,226	58,456	56,571
Total Expenditure	159,469	–	–	–	–	–	2,303	2,303	161,772	181,291	189,396
Surplus/(Deficit)	5,489	–	–	–	–	–	(1,539)	(1,539)	3,949	13,162	8,878
Transfers recognised - capital	41,408	–	–	–	–	–	10,762	10,762	52,170	43,265	51,966
Contributions recognised - capital & contributed assets	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	46,897	–	–	–	–	–	9,223	9,223	56,120	56,427	60,844
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	46,897	–	–	–	–	–	9,223	9,223	56,120	56,427	60,844
<u>Capital expenditure & funds sources</u>											
Capital expenditure	46,897	–	–	–	–	–	9,223	9,223	56,120	56,427	60,844
Transfers recognised - capital	39,347	–	–	–	–	–	10,562	10,562	49,909	40,950	49,135
Public contributions & donations	–	–	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–	–	–
Internally generated funds	7,550	–	–	–	–	–	(1,339)	(1,339)	6,211	15,477	11,709
Total sources of capital funds	46,897	–	–	–	–	–	9,223	9,223	56,120	56,427	60,844
<u>Financial position</u>											
Total current assets	62,541	–	–	–	–	–	1,559	1,559	64,099	64,396	63,825
Total non current assets	49,976	–	–	–	–	–	9,223	9,223	59,199	59,506	63,923
Total current liabilities	8,900	–	–	–	–	–	(480)	(480)	8,420	4,000	–
Total non current liabilities	–	–	–	–	–	–	–	–	–	–	–
Community wealth/Equity	103,616	–	–	–	–	–	11,261	11,261	114,878	119,902	127,747
<u>Cash flows</u>											
Net cash from (used) operating	34,077	–	–	–	–	–	197	197	34,273	42,295	46,035
Net cash from (used) investing	(46,897)	–	–	–	–	–	(9,223)	(9,223)	(56,120)	(55,441)	(59,839)

[illegible]

B Table B2 Adjustment Budget Financial Performance

The following table shows the votes that are increase or decrease, due to the following reasons:

Revenue

Electrical

- ❖ The total revenue for Electrical department increases from original budget amounting to R 19,0million to R 20,9 million due to roll over projects.

Roads

The total revenue for Roads department increases from original budget amounting to R 38,4 to R 47,3 due to roll over projects.

Refuse

- ❖ The total revenue for Refuse department decreases from original budget amounting to R 1,4 million to R 0,620 million due to under collection of refuse.

Planning and development

- ❖ The total for planning and development department increases from original budget amounting to R 2,4 million to R 4,9 million due to sale of site.

Public Safety

- ❖ The total revenue for public safety department decreases from original budget amounting to R 7,6 million to R 6,1 million due to late appointment of traffic officers.

Community Services

- ❖ The total revenue for community department increases form original budget amounting to R 1,6 million to R 2,1 million due to EPWP grant from CDM.

Expenditure :

Electrical

- ❖ The total expenditure for Electrical department it shows increase by R 3,3 million due to the fact that the technical administration was included under corporate services and Budget and treasury office during adopted original budget.

Community services

- ❖ The total expenditure for community services it shows increase from original budget amounting to R 11,6 to R 12,2 due to EPWP grant from CDM.

Executive and council, Public Safety, Planning and Development and Roads

- ❖ The increase /decrease from the above department was done looking at the savings from other department to another.

LIM351 Blouberg - Table B2 Adjustments Budget Financial Performance (standard classification) -

Standard Description	Ref	Budget Year 2014/15									Budget Year +1 2015/16	Budget Year +2 2016/17
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget

[illegible]

Health		-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		23,095	-	-	-	-	-	(589)	(589)	22,506	25,570	23,787
Planning and development		10,495	-	-	-	-	-	(179)	(179)	10,316	14,174	11,701
Road transport		12,599	-	-	-	-	-	(410)	(410)	12,189	11,396	12,086
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
Trading services		21,255	-	-	-	-	-	3,523	3,523	24,778	26,085	26,816
Electricity		21,196	-	-	-	-	-	3,373	3,373	24,569	26,022	26,751
Water		-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-
Waste management		59	-	-	-	-	-	150	150	209	62	65
Other		-	-	-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	3	159,469	-	-	-	-	-	2,303	2,303	161,772	181,291	189,396
Surplus/ (Deficit) for the year		46,897	-	-	-	-	-	9,223	9,223	56,120	56,427	60,844

C Table B3 Adjustment Budget Financial performance (Revenue and expenditure by municipal vote)

LIM351 Blouberg - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) -

Vote Description <i>[Insert departmental structure etc]</i>	Ref	Budget Year 2014/15									Budget Year +1 2015/16	Budget Year +2 2016/17
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
Revenue by Vote	1											
Vote 1 - Mayor and Council		-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Budget and Treasury		135,622	-	-	-	-	-	14	14	135,636	166,807	169,242

Vote 3 - Corporate Services		184	-	-	-	-	-	-	-	184	193	202
Vote 4 - Community Services		1,651	-	-	-	-	-	500	500	2,151	-	-
Vote 5 - Traffic Services		7,620	-	-	-	-	-	(1,500)	(1,500)	6,120	8,001	8,401
Vote 6 - Refuse and Parks		1,420	-	-	-	-	-	(800)	(800)	620	1,502	1,577
Vote 7 - Technical Services		19,032	-	-	-	-	-	1,892	1,892	20,925	19,779	27,618
Vote 8 - Water and Sanitation		-	-	-	-	-	-	-	-	-	-	-
Vote 9 - Roads and Storm Water		38,408	-	-	-	-	-	8,920	8,920	47,328	40,265	41,966
Vote 10 - Economic Development and Planning		2,429	-	-	-	-	-	2,500	2,500	4,929	1,172	1,234
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	206,366	-	-	-	-	-	11,526	11,526	217,892	237,717	250,240
<u>Expenditure by Vote</u>	1											
Vote 1 - Mayor and Council		36,597	-	-	-	-	-	286	286	36,882	41,552	43,065
Vote 2 - Budget and Treasury		28,172	-	-	-	-	-	(364)	(364)	27,808	37,193	39,134
Vote 3 - Corporate Services		27,796	-	-	-	-	-	(986)	(986)	26,811	28,595	30,846
Vote 4 - Community Services		11,698	-	-	-	-	-	515	515	12,213	10,706	13,466
Vote 5 - Traffic Services		10,856	-	-	-	-	-	(81)	(81)	10,775	11,590	12,281
Vote 6 - Refuse and Parks		59	-	-	-	-	-	150	150	209	62	65
Vote 7 - Technical Services		21,196	-	-	-	-	-	3,373	3,373	24,569	26,022	26,751
Vote 8 - Water and Sanitation		-	-	-	-	-	-	-	-	-	-	-
Vote 9 - Roads and Storm Water		12,599	-	-	-	-	-	(410)	(410)	12,189	11,396	12,086
Vote 10 - Economic Development and Planning		10,495	-	-	-	-	-	(179)	(179)	10,316	14,174	11,701

Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	159,469	-	-	-	-	-	2,303	2,303	161,772	181,291	189,396
Surplus/ (Deficit) for the year	2	46,897	-	-	-	-	-	9,223	9,223	56,120	56,427	60,844

D Table B4 Adjustment Budget financial performance (revenue and expenditure)

LIM351 Blouberg - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) -

Description	Ref	Budget Year 2014/15									Budget Year +1 2015/16	Budget Year +2 2016/17
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	1	A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
Revenue By Source												
Property rates	2	14,120	-	-	-	-	-	-	-	14,120	14,826	15,567
Property rates - penalties & collection charges		-							-	-		
Service charges - electricity revenue	2	15,782	-	-	-	-	-	-	-	15,782	16,571	17,400
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	1,200	-	-	-	-	-	(800)	(800)	400	1,260	1,323
Service charges - other									-	-		
Rental of facilities and equipment		332							-	332	348	366
Interest earned - external investments		930							-	930	977	1,025
Interest earned - outstanding debtors		432						64	64	496	194	204
Dividends received		-							-	-		
Fines		4,000						(1,500)	(1,500)	2,500	4,200	4,410

Licences and permits		3,620							–	3,620	3,801	3,991
Agency services									–	–		
Transfers recognised - operating		121,458					500	500	500	121,958	150,447	152,068
Other revenue	2	3,084	–	–	–	–	–	2,500	2,500	5,584	1,828	1,920
Gains on disposal of PPE		–	–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		164,958	–	–	–	–	–	764	764	165,722	194,452	198,274
Expenditure By Type	-											
Employee related costs		78,683	–	–	–	–	(1,562)	(1,562)		77,121	80,157	87,827
Remuneration of councillors		12,304					–	–		12,304	13,042	13,824
Debt impairment		12,511					(9,011)	(9,011)		3,500	13,137	13,137
Depreciation & asset impairment		1,009	–	–	–	–	5,331	5,331		6,340	7,229	7,590
Finance charges		–	–	–	–	–	–	–		–		
Bulk purchases		14,458	–	–	–	–	2,000	2,000		16,458	20,181	21,190
Other materials		2,173					150	150		2,323	2,226	2,394
Contracted services		3,000	–	–	–	–	400	400		3,400	4,500	4,379
Transfers and grants		–						–		–		
Other expenditure		35,331	–	–	–	–	4,995	4,995		40,326	40,819	39,055
Loss on disposal of PPE		–						–		–		
Total Expenditure		159,469	–	–	–	–	2,303	2,303		161,772	181,291	189,396
Surplus/(Deficit)		5,489	–	–	–	–	(1,539)	(1,539)		3,949	13,162	8,878
Transfers recognised - capital		41,408					10,762	10,762		52,170	43,265	51,966
Contributions		–						–		–		
Contributed assets		–						–		–		
Surplus/(Deficit) before taxation		46,897	–	–	–	–	9,223	9,223		56,120	56,427	60,844
Taxation		–						–		–		
Surplus/(Deficit) after taxation		46,897	–	–	–	–	9,223	9,223		56,120	56,427	60,844
Attributable to minorities								–		–		
Surplus/(Deficit) attributable to municipality		46,897	–	–	–	–	9,223	9,223		56,120	56,427	60,844
Share of surplus/ (deficit) of associate		–	–	–	–	–	–	–		–	–	–
Surplus/ (Deficit) for the year		46,897	–	–	–	–	9,223	9,223		56,120	56,427	60,844

E Table B5 Adjustment Capital Expenditure Budget by vote and funding

The following table shows the variance between original budget and Adjustment Budget due to roll over projects.

LIM351 Blouberg - Table B5 Adjustments Capital Expenditure Budget by vote and funding -

[illegible]

Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	3	-	-	-	-	-	-	-	-	-	-	-
<u>Single-year expenditure to be adjusted</u>	2											
Vote 1 - Mayor and Council		-	-	-	-	-	-	-	-	3,986	1,005	
Vote 2 - Budget and Treasury		-	-	-	-	-	-	-	-	-	-	
Vote 3 - Corporate Services		5,076	-	-	-	-	(440)	(440)	4,636	9,034	7,659	
Vote 4 - Community Services		-	-	-	-	-	-	-	-	-	-	
Vote 5 - Traffic Services		-	-	-	-	-	-	-	-	-	-	
Vote 6 - Refuse and Parks		674	-	-	-	-	(399)	(399)	275	79	83	
Vote 7 - Technical Services		4,300	-	-	-	-	1,342	1,342	5,642	4,378	11,461	
Vote 8 - Water and Sanitation		-	-	-	-	-	-	-	-	-	-	
Vote 9 - Roads and Storm Water		36,847	-	-	-	-	8,720	8,720	45,567	38,950	40,635	
Vote 10 - Economic Development and Planning		-	-	-	-	-	-	-	-	-	-	
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	
Capital single-year expenditure sub-total		46,897	-	-	-	-	9,223	9,223	56,120	56,427	60,844	
Total Capital Expenditure - Vote		46,897	-	-	-	-	9,223	9,223	56,120	56,427	60,844	
<u>Capital Expenditure - Standard</u>												
<i>Governance and administration</i>		5,076	-	-	-	-	(440)	(440)	4,636	13,020	8,665	

Executive and council		–							–	–	3,986	1,005
Budget and treasury office		–							–	–	–	–
Corporate services		5,076					(440)		(440)	4,636	9,034	7,659
Community and public safety		–	–	–	–	–	–		–	–	–	–
Community and social services									–	–		
Sport and recreation									–	–		
Public safety									–	–		
Housing									–	–		
Health									–	–		
Economic and environmental services		36,847	–	–	–	–	–	8,720	8,720	45,567	38,950	40,635
Planning and development		–					–		–	–	–	–
Road transport		36,847					8,720		8,720	45,567	38,950	40,635
Environmental protection		–							–	–	–	–
Trading services		4,974	–	–	–	–	–	943	943	5,917	4,457	11,544
Electricity		4,300					1,342		1,342	5,642	4,378	11,461
Water		–							–	–	–	–
Waste water management		–							–	–	–	–
Waste management		674					(399)		(399)	275	79	83
Other		–							–	–	–	–
Total Capital Expenditure - Standard	3	46,897	–	–	–	–	–	9,223	9,223	56,120	56,427	60,844
Funded by:												
National Government		39,347					10,562		10,562	49,909	40,950	49,135
Provincial Government		–							–	–		
District Municipality		–							–	–		
Other transfers and grants		–							–	–		

Total Capital transfers recognised	4	39,347	-	-	-	-	-	10,562	10,562	49,909	40,950	49,135
Public contributions & donations		-							-	-	-	-
Borrowing		-							-	-	-	-
Internally generated funds		7,550						(1,339)	(1,339)	6,211	15,477	11,709
Total Capital Funding		46,897	-	-	-	-	-	9,223	9,223	56,120	56,427	60,844

F Table B6 Adjustments Budget Financial Position

LIM351 Blouberg - Table B6 Adjustments Budget Financial Position -

Description	Ref	Budget Year 2014/15									Budget Year +1 2015/16	Budget Year +2 2016/17
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
ASSETS												
Current assets												
Cash		33,181	-	-	-	-	-	1,559	1,559	34,740	34,840	36,582
Call investment deposits	1	-	-	-	-	-	-	-	-	-	-	-
Consumer debtors	1	7,152	-	-	-	-	-	-	-	7,152	7,480	5,254
Other debtors		4,826	-	-	-	-	-	-	-	4,826	3,826	2,826
Current portion of long-term receivables		15,893	-	-	-	-	-	-	-	15,893	16,688	17,522
Inventory		1,487	-	-	-	-	-	-	-	1,487	1,562	1,640
Total current assets		62,541	-	-	-	-	-	1,559	1,559	64,099	64,396	63,825
Non current assets												
Long-term receivables									-	-		

Investments		3,079	-	-	-	-	-	-	-	3,079	3,079	3,079
Investment property		-	-	-	-	-	-	-	-	-	-	-
Investment in Associate		-	-	-	-	-	-	-	-	-	-	-
Property, plant and equipment	1	46,897	-	-	-	-	-	9,223	9,223	56,120	56,427	60,844
Agricultural		-	-	-	-	-	-	-	-	-	-	-
Biological		-	-	-	-	-	-	-	-	-	-	-
Intangible		-	-	-	-	-	-	-	-	-	-	-
Other non-current assets		-	-	-	-	-	-	-	-	-	-	-
Total non current assets		49,976	-	-	-	-	-	9,223	9,223	59,199	59,506	63,923
TOTAL ASSETS		112,516	-	-	-	-	-	10,782	10,782	123,298	123,902	127,747
LIABILITIES												
Current liabilities	-											
Bank overdraft		-	-	-	-	-	-	-	-	-	-	-
Borrowing		-	-	-	-	-	-	-	-	-	-	-
Consumer deposits		-	-	-	-	-	-	-	-	-	-	-
Trade and other payables		8,900	-	-	-	-	-	(480)	(480)	8,420	4,000	-
Provisions		-	-	-	-	-	-	-	-	-	-	-
Total current liabilities		8,900	-	-	-	-	-	(480)	(480)	8,420	4,000	-
Non current liabilities												
Borrowing	1	-	-	-	-	-	-	-	-	-	-	-
Provisions	1	-	-	-	-	-	-	-	-	-	-	-
Total non current liabilities		-	-	-	-	-	-	-	-	-	-	-
TOTAL LIABILITIES		8,900	-	-	-	-	-	(480)	(480)	8,420	4,000	-
NET ASSETS	2	103,616	-	-	-	-	-	11,261	11,261	114,878	119,902	127,747
COMMUNITY WEALTH/EQUITY												
Accumulated Surplus/(Deficit)		103,616	-	-	-	-	-	11,261	11,261	114,878	119,902	127,747
Reserves		-	-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY		103,616	-	-	-	-	-	11,261	11,261	114,878	119,902	127,747

G .Table B7 Adjustments Budget Cash Flows

LIM351 Blouberg - Table B7 Adjustments Budget Cash Flows -

[illegible]

debtors									-			
Decrease (increase) other non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-	-
Payments		-										
Capital assets		(46,897)	-	-	-	-	-	(9,223)	(9,223)	(56,120)	(55,441)	(59,839)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(46,897)	-	-	-	-	-	(9,223)	(9,223)	(56,120)	(55,441)	(59,839)
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
Short term loans		-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-	-	-
Payments												
Repayment of borrowing		-	-	-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	-	-	-	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		(12,820)	-	-	-	-	-	(9,026)	(9,026)	(21,846)	(13,146)	(13,803)
Cash/cash equivalents at the year begin:	2	33,181	-	-	-	-	-	1,559	1,559	34,740	12,894	(252)
Cash/cash equivalents at the year end:	2	20,361	-	-	-	-	-	(7,467)	-	12,894	(252)	(14,055)

H. Table B8 Adjustment Budget cash backed

LIM351 Blouberg - Table B8 Cash backed reserves/accumulated surplus reconciliation -

Description	Ref	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
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		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
Cash and investments available												
Cash/cash equivalents at the year end	1	20,361	-	-	-	-	-	(7,467)	(7,467)	12,894	(252)	(14,055)
Other current investments > 90 days		12,820	-	-	-	-	-	9,026	9,026	21,846	35,092	50,637
Non current assets - Investments	1	3,079	-	-	-	-	-	-	-	3,079	3,079	3,079
Cash and investments available:		36,260	-	-	-	-	-	1,559	1,559	37,819	37,919	39,661
Applications of cash and investments												
Unspent conditional transfers		8,900	-	-	-	-	-	(480)	(480)	8,420	4,000	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-	-
Statutory requirements		-	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	2	(7,091)	-	-	-	-	-	(653)	(653)	(7,744)	(6,537)	(4,672)
Other provisions		-	-	-	-	-	-	-	-	-	-	-
Long term investments committed		-	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments		-	-	-	-	-	-	-	-	-	-	-
Total Application of cash and investments:		1,809	-	-	-	-	-	(1,132)	(1,132)	676	(2,537)	(4,672)
Surplus(shortfall)		34,452	-	-	-	-	-	2,691	2,691	37,143	40,457	44,334

I. Table B9 Adjustment Budget Assets management

LIM351 Blouberg - Table B9 Asset Management -

Description	Ref	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
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[illegible]

Total Capital Expenditure to be adjusted	- 4											
Infrastructure - Road transport		37,347	-	-	-	-	-	8,720	8,720	46,067	38,950	40,635
Infrastructure - Electricity		4,300	-	-	-	-	-	1,342	1,342	5,642	4,378	11,461
Infrastructure - Water		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		41,647	-	-	-	-	-	10,062	10,062	51,709	43,328	52,096
Community		-	-	-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Other assets		5,250	-	-	-	-	-	(839)	(839)	4,411	13,099	8,748
Agricultural Assets		-	-	-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE to be adjusted	2	46,897	-	-	-	-	-	9,223	9,223	56,120	56,427	60,844
ASSET REGISTER SUMMARY - PPE (WDV)	5											
Infrastructure - Road transport		37,347	-	-	-	-	-	8,720	8,720	46,067	38,950	40,635
Infrastructure - Electricity		4,300	-	-	-	-	-	1,842	1,842	6,142	4,378	11,461
Infrastructure - Water		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Other		400	-	-	-	-	-	-	-	400	-	-
Infrastructure		42,047	-	-	-	-	-	10,562	10,562	52,609	43,328	52,096
Community		-	-	-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Other assets		4,850	-	-	-	-	-	(1,339)	(1,339)	3,511	13,099	8,748
Intangibles		-	-	-	-	-	-	-	-	-	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-	-	-
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	46,897	-	-	-	-	-	9,223	9,223	56,120	56,427	60,844

EXPENDITURE OTHER ITEMS												
<u>Depreciation & asset impairment</u>		1,009	-	-	-	-	-	5,331	5,331	6,340	7,229	7,590
<u>Repairs and Maintenance by asset class</u>	3	2,173	-	-	-	-	-	140	140	2,313	2,226	2,394
Infrastructure - Road transport		400	-	-	-	-	-	200	200	600	525	551
Infrastructure - Electricity		900	-	-	-	-	-	(100)	(100)	800	736	774
Infrastructure - Water		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		1,300	-	-	-	-	-	100	100	1,400	1,261	1,325
Community		-	-	-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Other assets	6	873	-	-	-	-	-	40	40	913	965	1,069
TOTAL EXPENDITURE OTHER ITEMS to be adjusted		3,182	-	-	-	-	-	5,471	5,471	8,653	9,455	9,984
<i>% of capital exp on renewal of assets</i>		0.0%	0.0%							0.0%	0.0%	0.0%
<i>Renewal of existing assets as % of deprecn</i>		0.0%	0.0%							0.0%	0.0%	0.0%
<i>R&M as a % of PPE</i>		4.6%	0.0%							4.1%	3.9%	3.9%
<i>Renewal and R&M as a % of PPE</i>		4.6%	0.0%							4.1%	3.9%	3.9%

J .Table B10 Basic service delivery measurement

LIM351 Blouberg - Table B10 Basic service delivery measurement -

Description	Ref	Budget Year 2014/15									Budget Year +1 2015/16	Budget Year +2 2016/17
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
			7	8	9	10	11	12	13	14		

		A	A1	B	C	D	E	F	G	H		
Household service targets	1											
<u>Water:</u>												
Piped water inside dwelling		0	0	0	0	0	0	0	-	-	0	0
Piped water inside yard (but not in dwelling)		0	0	0	0	0	0	0	-	-	0	0
Using public tap (at least min.service level)	2	0	0	0	0	0	0	0	-	-	0	0
Other water supply (at least min.service level)		0	0	0	0	0	0	0	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-	-	-
Using public tap (< min.service level)	3	0	0	0	0	0	0	0	-	-	0	0
Other water supply (< min.service level)	3,4	0	0	0	0	0	0	0	-	-	0	0
No water supply		0	0	0	0	0	0	0	-	-	0	0
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-	-	-
<u>Sanitation/sewerage:</u>												
Flush toilet (connected to sewerage)		0	0	0	0	0	0	0	-	-	0	0
Flush toilet (with septic tank)		0	0	0	0	0	0	0	-	-	0	0
Chemical toilet		0	0	0	0	0	0	0	-	-	0	0
Pit toilet (ventilated)		0	0	0	0	0	0	0	-	-	0	0
Other toilet provisions (> min.service level)		0	0	0	0	0	0	0	-	-	0	0
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-	-	-
Bucket toilet		0	0	0	0	0	0	0	-	-	0	0
Other toilet provisions (< min.service level)		0	0	0	0	0	0	0	-	-	0	0
No toilet provisions		0	0	0	0	0	0	0	-	-	0	0
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-	-	-
<u>Energy:</u>												
Electricity (at least min. service level)		250	0	0	0	0	0	0	-	250	240	800
Electricity - prepaid (> min.service level)		0	0	0	0	0	0	0	-	-	0	0
<i>Minimum Service Level and Above sub-total</i>		250	-	-	-	-	-	-	-	250	240	800
Electricity (< min.service level)		0	0	0	0	0	0	0	-	-	0	0

[illegible]

social package)											1,370	1,504
Highest level of free service provided												
Property rates (R'000 value threshold)			0	0	0	0	0	0	-	-	0	0
Water (kilolitres per household per month)		0	0	0	0	0	0	0	-	-	0	0
Sanitation (kilolitres per household per month)		0	0	0	0	0	0	0	-	-	-	-
Sanitation (Rand per household per month)		11,449	0	0	0	0	0	0	-	11,449	11,449	11,449
Electricity (kw per household per month)		936	0	0	0	0	0	0	-	936	936	936
Refuse (average litres per week)		60	0	0	0	0	0	0	-	60	60	60
Revenue cost of free services provided (R'000)	17											
Property rates (R15 000 threshold rebate)		37		-		-	-	-	-	37	37	37
Property rates (other exemptions, reductions and rebates)		-	-	-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-	-	-
Sanitation		-	-	-	-	-	-	-	-	-	-	-
Electricity/other energy		2,000	-	-	-	-	-	-	-	2,000	2,600	2,730
Refuse		1,598	-	-	-	-	-	-	-	1,598	1,598	1,598
Municipal Housing - rental rebates		-	-	-	-	-	-	-	-	-	-	-
Housing - top structure subsidies	6	-	-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-	-
Total revenue cost of free services provided (total social package)		3,635	-	-	-	-	-	-	-	3,635	4,235	4,365

The municipality does not have any entities for which adjustments budgets must be prepar

PART 2 – SUPPORTING DOCUMENTATION

Section 5 – Adjustments to budget assumptions

There are no changes to the budget assumptions proposed in the adjustments budget.

Section 6 – Overview of Adjustment budget funding

Funding the Budget

Section 18(1) of the MFMA states that an annual budget may only be funded from:

Realistically anticipated revenues to be collected;

Cash backed accumulated funds from previous years' surpluses not committed for other purposes; and

Borrowed funds, but only for the capital budget referred to in section

Achievement of this requirement in totality effectively means that a Council has 'balanced' its budget by ensuring that budgeted outflows will be offset by a combination of planned inflows.

A Credible Budget

Amongst other things, a credible budget is a budget that:

Funds only activities consistent with the revised IDP and vice versa ensuring the IDP is realistically achievable given the financial constraints of the municipality;

Is achievable in terms of agreed service delivery and performance targets;

Contains revenue and expenditure projections that are consistent with current and on past performance and supported by document evidence of future assumptions;

Does not jeopardize the financial viability of the municipality (ensures that the financial position is maintained within generally accepted prudential limits and that obligations can be met in the short, medium and long term); and

Provides managers with appropriate levels of delegation sufficient to meet their financial management responsibilities.

A budget sets out certain service delivery levels and associated financial implications. Therefore the community should realistically expect to receive these promised service delivery levels and

understand the associated financial implications. Major under spending due to under collection of revenue or poor planning is a clear example of a budget that is not credible and unrealistic.

Fiscal Overview of Blouberg Local Municipality

Over the past financial years via sound and strong financial management, Blouberg Municipality has moved internally to a position of relative financial stability. There is also a high level of compliance with the Municipal Finance Management Act and other legislation directly affecting financial management.

Long term financial planning

The municipality plans to exercise strict financial management and ensure a cash flow which meets the requirements of the municipality as anticipated.

Sources of funding

The funding of operating and capital expenditure are funded as follow:

The investment portfolio is prepared in line with the requirement of the municipal investment and PPP regulations –Gazette No.27431, 1 April 2005 issued by the National Treasury.

The investment portfolio is prepared in line with the requirement of the municipal investment and PPP regulations –Gazette No.27431, 1 April 2005 issued by the National Treasury.

The below table investment number 20-70-75-0019 indicates the Accrued interest earned from Guarantee investment at the end of December 2014 amounting to **R 10,983** and **R 795,187** was transferred to primary account December 2014. During the past six months municipality invested **R 20,000,000** for three months and earned **R 316,401** interest.

ACCOUNT	INVESTMENTS	INTEREST	INETEREST	ACCRUED	BALANCE AT
NUMBER	AMOUNT	EARNED - CURRENT	RECEIVED	INTERREST	31-Dec-14
20-7075-0019	3,079,000	106,170	95,187	10,983	3,185,170
20-7448-1062	20,000,000	316,401	316,401	0	20,316,401
	23,079,000	422,571	411,588	10,983	23,501,571

BANK

The municipality has a bank balance of **R 34,740,336** at the end of the month under review and no investment made. Therefore municipal has **R 34,740,336** cash and cash equivalent and **R 8,420,312** for unspent grant; therefore municipality has cash back for unspent grant.

The below table shows that operation and capital expenditure are funded.

Description	Original Budget	Revised Budget
Operating Budget	159,469,078	161,772,478
Employee cost	78,682,975	77,121,015
Council Remuneration	12,303,654	12,303,654
Other Expenditure	68,482,449	72,347,809
Capital Budget	46,896,832	56,119,606
Own Capital	7,550,002	6,210,602
Grant Capital	39,346,830	49,909,004
TOTAL: EXPENDITURE	206,365,910	217,892,084
Income Budget		
Own Revenue	43499910	43763910
Grant Revenue	162866000	174128174
	206,365,910	217,892,084
Surplus/deficit	0	0

The table shows the operation Expenditure Funding.

LIM351 Blouberg - Table B1
Adjustments Budget Summary -[illegible]

Surplus/(Deficit) after capital transfers & contributions	46,897	–	–	–	–	–	9,223	9,223	56,120	56,427	60,844
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	46,897	–	–	–	–	–	9,223	9,223	56,120	56,427	60,844

The table below shows the Capital Funding

**LIM351 Blouberg - Table B1
Adjustments Budget Summary -**

Description	Budget Year 2014/15									Budget Year +1 2015/16	Budget Year +2 2016/17
	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
	A	1 A1	2 B	3 C	4 D	5 E	6 F	7 G	8 H		
R thousands	A	A1	B	C	D	E	F	G	H		
<u>Financial Performance</u>											
<u>Capital expenditure & funds sources</u>											
Capital expenditure	46,897	–	–	–	–	–	9,223	9,223	56,120	56,427	60,844
Transfers recognised - capital	39,347	–	–	–	–	–	10,562	10,562	49,909	40,950	49,135
Public contributions & donations	–	–	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–	–	–
Internally generated funds	7,550	–	–	–	–	–	(1,339)	(1,339)	6,211	15,477	11,709
Total sources of capital funds	46,897	–	–	–	–	–	9,223	9,223	56,120	56,427	60,844

Section 7 – Expenditure on allocations and grant programmes

Grant allocations

The following table shows the grant allocation from National Treasury and district.

No Adjustment made by National Treasury but the District (CDM) made adjustment for EPWP grant amounting to R 500,000 to the below grant table.

LIM351 Blouberg - Supporting Table SB8 Adjustments Budget - expenditure on transfers and grant programme -

Description	Ref	Budget Year 2014/15							Budget Year +1 2015/16	Budget Year +2 2016/17
		Original Budget	Prior Adjusted	Multi-year capital	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	2 A1	3 B	4 C	5 D	6 E	7 F		
R thousands										
EXPENDITURE ON TRANSFERS AND GRANT PROGRAM:	1									
<u>Operating expenditure of Transfers and Grants</u>										
National Government:		121,458	–	–	–	–	–	121,458	150,447	152,068
Local Government Equitable Share		117,073				–	–	117,073	147,530	148,949
Municipal Systems Improvement		1,800				–	–	1,800	1,950	2,100
Finance Management		934				–	–	934	967	1,019
EPWP Incentive		1,651				–	–	1,651	–	–
							–	–		
							–	–		
Other transfers and grants [insert description]							–	–		
Provincial Government:		–	–	–	–	–	–	–	–	–
							–	–		
							–	–		
							–	–		
Other transfers and grants [insert description]							–	–		
District Municipality:		–	–	–	–	500	500	500	–	–
EPWP Incentive : CDM		–	–	–	–	500	500	500	–	–
							–	–		

Other grant providers: [insert description]		-	-	-	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants:		121,458	-	-	-	500	500	121,958	150,447	152,068
Capital expenditure of Transfers and Grants										
National Government:		41,408	-	-	-	10,762	10,762	52,170	43,265	51,966
Municipal Infrastructure Grant (MIG)		38,408				8,920	8,920	47,328	40,265	41,966
		-					-	-	-	-
							-	-	-	-
INEP		3,000				1,842	1,842	4,842	3,000	10,000
Provincial Government:		-	-	-	-	-	-	-	-	-
							-	-		
[insert description]							-	-		
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]							-	-		
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]							-	-		
							-	-		
Total capital expenditure of Transfers and Grants		41,408	-	-	-	10,762	10,762	52,170	43,265	51,966
Total capital expenditure of Transfers and Grants		162,866	-	-	-	11,262	11,262	174,128	193,712	204,034

Section 8 – Allocations and grants made by the Municipality

Allocations Made by the Municipality

No allocation made by Blouberg Local Municipality in 2014/15 financial year

Section 9 – Councilors Allowances and employee benefits

Salaries, Allowances and Benefits

There are no changes proposed for Councilors Allowances. Details of Councilors Allowances and employee benefits are included in supporting table SB11 provides details on the proposed adjustments to councilor and staff benefits.

According to this table employee related cost decrease from R 73-million to R72, million due to late appointment of senior manages and other staff, the savings are utilized to other things.

LIM351 Blouberg - Supporting Table SB11 Adjustments Budget - councillor and staff benefits -

[illegible]

Long service awards								-	-
Post-retirement benefit obligations	5							-	-
Sub Total - Board Members of Entities		-	-	-	-	-	-	-	-
% increase									
<u>Senior Managers of Entities</u>									
Basic Salaries and Wages								-	-
Pension and UIF Contributions								-	-
Medical Aid Contributions								-	-
Overtime								-	-
Performance Bonus								-	-
Motor Vehicle Allowance								-	-
Cellphone Allowance								-	-
Housing Allowances								-	-
Other benefits and allowances								-	-
Payments in lieu of leave								-	-
Long service awards								-	-
Post-retirement benefit obligations	5							-	-
Sub Total - Senior Managers of Entities		-	-	-	-	-	-	-	-
% increase									
<u>Other Staff of Entities</u>									
Basic Salaries and Wages								-	-
Pension and UIF Contributions								-	-
Medical Aid Contributions								-	-
Overtime								-	-
Performance Bonus								-	-
Motor Vehicle Allowance								-	-
Cellphone Allowance								-	-
Housing Allowances								-	-
Other benefits and allowances								-	-
Payments in lieu of leave								-	-
Long service awards								-	-
Post-retirement benefit obligations	5							-	-
Sub Total - Other Staff of Entities		-	-	-	-	-	-	-	-
% increase									
Total Municipal Entities		-	-	-	-	-	-	-	-

COUNCILLOR ALLOWANCES, EMPLOYEE REMUNERATION & ENTITY REMUNERATION		90,987	-	-	-	-	-	(1,562)	(1,562)	89,425	-1.7%
% increase											
TOTAL MANAGERS AND STAFF		78,683	-	-	-	-	-	(1,562)	(1,562)	77,121	-2.0%

Section 10 – Adjustments to the quarterly service delivery and budget implementation plans – internal departments

The below table indicates the major adjustments. It is anticipated that operating revenue to the amount of R217, -million will still be realized by 30 June 2015. whilst operating expenditure to the amount of R 159, -million as planned.

LIM351 Blouberg - Supporting Table SB15 Adjustments Budget - monthly cash flow -

Monthly cash flows	Ref	Budget Year 2014/15												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands																
Cash Receipts By Source	1															
Property rates		13,055	66	76	87	169	75	98	100	95	98	99	102	14,120	14,826	15,567
Property rates - penalties & collection charges													-	-	-	-
Service charges - electricity revenue		234	1,624	955	1,133	1,422	1,587	1,600	1,287	1,387	1,387	1,487	1,677	15,782	16,571	17,400
Service charges - water revenue								-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue								-	-	-	-	-	-	-	-	-
Service charges - refuse		30	27	27	28	27	27	40	37	29	30	33	63	400	1,260	1,323
Service charges - other								-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		18	19	19	19	19	19	32	37	35	42	41	34	332	348	366
Interest earned - external investments		0	44	32	335	19	113	54	42	22	31	-	237	930	977	1,025
Interest earned - outstanding debtors			20	136	136	21	21	21	21	51	21	21	27	496	194	204
Dividends received								-	-	-	-	-	-	-	-	-
Fines		23	97	74	36	59	45	105	106	65	125	135	1,629	2,500	4,200	4,410
Licences and permits			401		372	191	217	360	352	460	415	435	417	3,620	3,801	3,991

[illegible]

Grants and subsidies paid - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
General expenses	2,239	2,134	3,298	2,613	4,298	3,206	2,934	3,298	2,613	4,298	3,206	6,189	40,326	40,819	39,055
Cash Payments by Type	8,861	10,554	12,170	10,675	12,950	11,566	11,686	12,225	11,357	13,272	11,896	23,719	150,932	160,925	168,669
Other Cash Flows/Payments by Type															
Capital assets	-	873	159	3,515	2,729	9,169	9,369	8,169	5,169	6,169	9,169	1,631	56,120	56,427	60,844
Repayment of borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Payments by Type	8,861	11,427	12,329	14,190	15,679	20,735	21,055	20,394	16,526	19,441	21,065	25,350	207,052	217,352	229,513
NET INCREASE/(DECREASE) IN CASH HELD	4,657	50,127	(10,747)	(9,928)	25,176	(7,380)	(10,293)	(20,394)	1,261	(19,441)	(21,065)	(19,821)	(154,882)	(174,087)	(177,547)
Cash/cash equivalents at the month/year beginning:	33,181	37,838	87,965	77,218	67,290	92,466	85,086	74,794	54,400	55,660	36,220	15,155	33,181	(121,701)	(295,787)
Cash/cash equivalents at the month/year end:	37,838	87,965	77,218	67,290	92,466	85,086	74,794	54,400	55,660	36,220	15,155	(4,666)	(121,701)	(295,787)	(473,334)

LIM351 Blouberg - Supporting Table SB17 Adjustments Budget - monthly capital expenditure (standard classification) -

Description	Ref	Budget Year 2014/15												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands																
Capital Expenditure - Standard																
<i>Governance and administration</i>		-	873	45	1,225	97	1,114	-	389	-	894	-	-	4,636	13,020	8,665
Executive and								-		-		-	-	-	3,986	1,005

council								-		-					
Budget and treasury office								-		-			-		-
Corporate services	-	873	45	1,225	97	1,114	-	389	-	894		-	4,636	9,034	7,659
Community and public safety	-	-	-	-	-	-	-	-	-	-		-	-	-	-
Community and social services	-	-	-	-	-	-	-	-	-	-		-	-	-	-
Sport and recreation	-	-	-	-	-	-	-	-	-	-		-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-	-		-	-	-	-
Housing	-	-	-	-	-	-	-	-	-	-		-	-	-	-
Health	-	-	-	-	-	-	-	-	-	-		-	-	-	-
Economic and environmental services	-	-	-	2,290	2,589	7,834	12,956	4,686	6,582	4,623	1,204	2,802	45,567	38,950	40,635
Planning and development	-	-	-	-	-	-	-	-	-	-		-	-	-	-
Road transport	-	-	-	2,290	2,589	7,834	12,956	4,686	6,582	4,623	1,204	2,802	45,567	38,950	40,635
Environmental protection	-	-	-	-	-	-	-	-	-	-		-	-	-	-
Trading services	-	-	43	-	43	221	963	1,063	2,363	507	410	305	5,917	4,457	11,544
Electricity	-	-	43	-	-	221	963	1,063	2,163	507	410	727	5,642	4,378	11,461
Water	-	-	-	-	-	-	-	-	-	-		-	-	-	-
Waste water management	-	-	-	-	-	-	-	-	-	-		-	-	-	-
Waste management	-	-	-	-	43	-	-	-	200	-	-	32	275	79	83
Other	-	-	-	-	-	-	-	-	-	-		-	-	-	-
Total Capital Expenditure - Standard	-	873	88	3,515	2,729	9,169	13,919	6,138	8,946	6,024	1,613	3,107	56,120	56,427	60,844

LIM351 Blouberg - Supporting Table SB13 Adjustments Budget - monthly revenue and expenditure (standard classification) -

[illegible]

Trading services		417	3,456	1,141	2,715	1,641	1,784	1,590	1,610	1,783	1,846	1,936	1,625	21,545	21,280	29,194
Electricity		387	3,418	1,092	2,666	1,603	1,744	1,544	1,544	1,744	1,744	1,844	1,595	20,925	19,779	27,618
Water		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste management		30	39	49	49	38	40	46	66	39	102	92	30	620	1,502	1,577
Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue - Standard		13,518	61,554	1,582	4,262	40,855	13,355	13,018	4,135	55,297	3,810	4,117	2,389	217,892	237,717	250,240
Expenditure - Standard																
Governance and administration		6,001	5,310	7,759	5,865	7,375	6,078	9,199	9,199	9,379	9,309	9,269	6,758	91,501	107,340	113,046
Executive and council		2,424	2,522	3,261	2,698	3,432	2,772	3,472	3,472	3,472	3,372	3,372	2,614	36,882	41,552	43,065
Budget and treasury office		872	908	2,038	1,254	1,251	1,235	3,555	3,565	3,755	3,755	3,755	1,865	27,808	37,193	39,134
Corporate services		2,704	1,880	2,460	1,913	2,692	2,072	2,172	2,162	2,152	2,182	2,142	2,279	26,811	28,595	30,846
Community and public safety		1,369	1,531	1,745	1,697	2,062	1,900	2,162	2,102	2,162	2,172	2,162	1,925	22,988	22,296	25,747
Community and social services		730	885	1,034	1,050	1,219	1,074	1,074	1,074	1,074	1,074	1,074	854	12,213	10,706	13,466
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public safety		639	646	711	647	843	826	1,088	1,028	1,088	1,098	1,088	1,071	10,775	11,590	12,281
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		1,173	1,283	1,138	1,172	1,195	1,643	2,576	2,556	2,576	2,556	2,466	2,169	22,506	25,570	23,787
Planning and development		552	546	501	511	512	903	1,188	1,178	1,188	1,178	1,178	881	10,316	14,174	11,701
Road transport		621	738	638	661	683	739	1,388	1,378	1,388	1,378	1,288	1,288	12,189	11,396	12,086
Environmental protection													-	-	-	-
Trading services		318	2,439	2,367	1,941	2,318	1,945	1,971	1,971	1,971	1,971	1,971	3,596	24,778	26,085	26,816

Electricity		318	2,439	2,367	1,941	2,318	1,945	1,945	1,945	1,945	1,945	1,945	3,514	24,569	26,022	26,751
Water								-	-	-	-	-	-	-	-	-
Waste water management								-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	25	25	25	25	25	82	209	62	65
<i>Other</i>				-				-	-	-	-	-	-	-	-	-
Total Expenditure - Standard		8,861	10,563	13,009	10,675	12,950	11,566	15,908	15,828	16,088	16,008	15,868	14,448	161,772	181,291	189,396
Surplus/ (Deficit) 1.		4,657	50,991	(11,427)	(6,413)	27,905	1,789	(2,890)	(11,693)	39,208	(12,198)	(11,751)	(12,059)	56,120	56,427	60,844

Section 11 - Capital expenditure details

The adjustment to the capital programmes are reflected in supporting table and constitute an increase in capital expenditure from R46,8million to R 56,1 million due to roll over budget. The roll-over projects are included in the capital expenditure. No adjustments to the outer financial years were necessary at this stage and it is predicted that the goals as per the IDP will be met.

**LIM351 Blouberg - Table B1
Adjustments Budget Summary -**

Description	Budget Year 2014/15									Budget Year +1 2015/16	Budget Year +2 2016/17
	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
	A	1	2	3	4	5	6	7	8		
R thousands	A	A1	B	C	D	E	F	G	H		
Capital expenditure & funds sources											
Capital expenditure	46,897	–	–	–	–	–	9,223	9,223	56,120	56,427	60,844
Transfers recognised - capital	39,347	–	–	–	–	–	10,562	10,562	49,909	40,950	49,135
Public contributions & donations	–	–	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–	–	–
Internally generated funds	7,550	–	–	–	–	–	(1,339)	(1,339)	6,211	15,477	11,709
Total sources of capital funds	46,897	–	–	–	–	–	9,223	9,223	56,120	56,427	60,844

LIM351 Blouberg - Supporting Table SB19 List of capital programmes and projects affected by Adjustments Budget -

Municipal Vote/Capital project	Program/Project description	Project number	IDP Goal Code	Medium Term Revenue and Expenditure Framework					
				Budget Year 2014/15		Budget Year +1 2015/16		Budget Year +2 2016/17	
				Original Budget	Adjusted Budget	Original Budget	Adjusted Budget	Original Budget	Adjusted Budget
R thousand			3						

Parent municipality:									
DILAENENG INTERNEL STREETS & STORMWATER PHASE 3				4,000	4,000				
INDERMARK INTERNAL STREETS & STORMWATER PHASE 1				4,000	4,000				
SENWABARWANA TOWNSHIP UPGRADING PHASE 1				6,300	6,300				
INVERAAN MPCC				6,700	6,700				
BEN SERAKI SPORTS COMPLEX UPGRADING PHASE 2				6,500	6,500				
BOBGAFARM CRECHES				1,769	1,769				
BERSEBA (MOTADI) CRECHES				1,769	1,605				
DEVILLERSDALE CRECHES				1,769	1,609				
MOTLANA CRECHES				1,769	1,769				
SLAAPHOEK CRECHES				1,769	1,769				
CRACOUW CRECHE				-	634				
BEN SERAKI SPORTS COMPLEX UPGRADING PHASE				-	2,425				
EDWINSDALE CRECHE				-	237				
LETHALENG CRECHE				-	1,141				
LANGLAAGTE				-	4,483				
ELECTRICAL PROJECTS				-	-				
ELECTRIFICATION OS SIAS;GROOTPAN;SIM				1,632	1,632				
ELECTRIFICATION OF MOTADI & GIDEON W				480	480				
ELECTRIFICATION OF MANGALO				360	360				
ELECTRIFICATION OF DIEPSLOOT				264	264				
ELECTRIFICATION SILVERMINE				264	264				
ELECTRIFICATION OS SIAS;GROOTPAN;SIM					809				
ELECTRIFICATION OF MOTADI & GIDEON W					390				
ELECTRIFICATION OF MANGALO					98				
ELECTRIFICATION OF DIEPSLOOT					333				
ELECTRIFICATION SILVERMINE					212				
2015/16 Projects/2016/17 Projects						37,950	37,950	39,135	39,135

Section 12 – Measurable performance objectives and indicators

MUNICIPALITY'S BROAD OBJECTIVES

The Municipality's strategies seek to achieve the following broad objectives:

To deliver basic services to communities in a sustainable manner in the quest to create a better life for all,

To create an environment for local economic growth and job creation, focusing on the competitive advantages of the Municipality.

To provide responsible and accountable political and administrative leadership to local communities,

To mobilize the broadest section of the local communities behind the Municipality's endeavors to develop communities with other government departments, public institutions, private sector, NGO's and CBO's as the Municipality's critical partners.

Blouberg Local Municipality have strategies meeting to monitor implementation of SDBIP. The development strategies are the product of the strategic planning session. The actual strategies detailed in perspective below orients towards the achievement of the strategic priorities, objectives and outcomes as shows in the IDP. The following are Key Performance Areas (KPAs) / respective output – the overarching purpose is to reconfigure the municipal growth economy and creating jobs.

KPA1: Spatial Rationale and Land use projects

The municipality has developed the land use management scheme. That was done through the assistance of the district municipality. All the councilors and the traditional leaders were consulted before the scheme could be proclaimed. The scheme was developed in 2006/7 financial year in order to amalgamate the erstwhile Alldays town planning scheme with the rest of Blouberg which had no access to any town planning practice. In terms of the scheme most of the areas in Blouberg have a predominant zoning of agriculture, followed by residential one.

KPA 2: Basic service Delivery

The main objective of Blouberg Local Municipality is providing electricity to all households by 2014. The Municipality is a licensed electricity distributor.

KPA 3: Local Economic Development projects

KPA 4: Good Governance and Public participation

KPA 5: Financial Viability Projects

KPA 5: Municipal Transformation and Institutional Development

Section 13– Funding compliance

The adjustments budget is cash – funded which is the first indicator of a “credible” budget.

Funding levels are acceptable at 2.3 months cash – resources, which is extraordinary in these economic times, and is sufficient to cover all requirements of the funding and reserves policy.

Section 14 – Annual budgets and service delivery agreements – municipal entities and other external mechanisms ENTITIES

The municipality does not have any entities.

Section 15 – Contracts having future budgetary implications

Blouberg Local Municipality does not have Contract having future budgetary implication.

Section 16 – Budget related policies

No adjustment on approved budget related policies.

Section 17 – Municipal Manager’s quality certification

QUALITY CERTIFICATE



MUNICIPAL MANAGER'S QUALITY CERTIFICATION

IThe Acting Municipal Manager of Blouberg Local Municipality,
hereby certify that :

The Adjustment Budget

For the year 2014/15 in accordance with the **Municipal Finance Management Act and Regulations** made under the Act.

Print Name: Magabane Thabo Gilliot

Municipal Manager of Blouberg Local Municipality : Lim351

Signature.....

Date.....